account completely through the revenues apparently generated by that service alone.

The creation of value by the cable operator that assembles attractive service tiers is extremely important. If, instead, all program services leased channel capacity that was passively supplied by a cable operator, program services would free-ride on the spillover benefits from other services and, consequently, all services would underinvest in quality programming and in promotion. In addition, all providers would attempt to offer that type of programming with the broadest audience appeal. The result would be increased duplication of programming services.[21] Through its role in coordinating the contents of its service tiers, and in providing diverse programming, the cable operator maximizes the value of its offerings.

There are two implications of the foregoing. First, the basic assumption underlying the Commission's proposed approach — that subscriber revenues will be unaffected if existing program services are removed to make room on the Basic Service or Cable Program Service tiers for leased access programming — is false. Subscriber revenues would undoubtedly be affected adversely if this were to occur. The leased access programmer should, according to the Commission's stated goals, compensate the operator for the negative effect on system-wide revenues of carrying its programming.

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[21] On this point see, P.O. Steiner, "Program Patterns and Preferences, and the Workability of Competition in Radio Broadcasting," 66 Quarterly Journal of Economics 194 (1952).

Second, it may be exceedingly difficult to measure these revenue losses, or opportunity costs. This difficulty arises, in part, because the revenues generated by one program service depend on how many and which other services are also being offered.

Cable operators face increasing competition from direct broadcast satellite, local telephone, and MMDS operators in the years ahead, but none of these competitors will be obliged to set aside significant portions of their capacity for low-value programming, or to displace actual or potential higher-value users in the process. The competitive handicap that would be imposed on cable operators surely could not be an intended result of the Commission's new proposal.

c. The Effect of the Commission's Proposal on Programmers

If the Commission sets the fee for leased access programmers below the lowest implicit access fee paid by any incumbent program service, the beneficiaries will be the program services that acquire channel access at below-market prices. Indeed, absent a subsidy to leased access providers, these program services would not be financially viable. The need to subsidize leased access programmers would harm cable operators, but it would also harm those displaced program services that would attract more subscribers (or both subscribers and advertisers), and that would generate larger net revenues for the operator than would the leased access programmers. Further, those program services that remain on the service tier, as well as the operator, suffer from a loss of the positive spillovers that the displaced services would otherwise have generated. The Commission's current proposal will have the perverse effect of reducing the value of services offered by cable operators because high-value program services will be denied access to cable tiers through competitive bidding, and these tiers will be given over to leased access services offering only minimal, or even negative, spillover effects.

Even as the channel capacity of cable systems grows over time, displacement of higher-value program services by leased access services will continue to be a source of potential harm to the services that are displaced. However, the "displacement" increasingly will affect new services in development. As of March 1996, approximately 89 new or planned services were proposing to launch over the next few years.[22] Many new higher-valued services may be forced to launch later, or not at all, if a substantial proportion of the channel capacity of cable systems is occupied by leased access programmers.

4. A Bias Introduced by the Commission's Proposal

The lost value from the displaced services exceeds the value of the services that will appear on the leased access channels. If this were not the case, the leased access programmers could initially have outbid the incumbent

[22] Cablevision, New Network Handbook, pp. 27A-44A.

programmers for channel capacity. Moreover, the value of the package of program services would fall by more than the difference between the value of the displaced services and that of the leased access services because program services are complementary goods. Because leased access programs are less attractive to subscribers than the services they displace, there will be smaller positive spillovers to other services on the tier. Compared with a displaced program service, a new leased access service is less likely to attract new cable subscriptions. Indeed, some cable subscribers may find the new services not only less valuable than the displaced services, but of negative value. Such subscribers will be more likely to terminate their subscriptions. Subscriptions to the now less attractive tier of services will be lower than otherwise, and the advertising and subscriber revenues of the package will fall.

Nevertheless, the displaced services will generally be unable to compete to become leased access programmers on a basic tier, and this has important implications for the mix of programming services that will be offered. Unlike the channel lessees, most incumbent program services depend for a significant portion of their support on being able to share in direct subscriber payments through the affiliate fees they charge to cable operators. For example, American Movie Classics, which obtains no advertising revenues, depends entirely on its share of basic subscriber revenues. Even a service like MTV generates about one-quarter of its revenues through affiliate fees.[23] An existing subscriber-based program service cannot bid to be a leased access programmer because, by definition, it needs subscriber revenues to survive. Similarly, among new services, those that are dependent on subscriber revenues will be unable to bid for leased access channels.

The only services that *can* pay significant explicit access charges are those that generate sufficient revenues through nonsubscriber sources. Certain types of programmers, especially home-shopping services and suppliers of infomercials, enjoy an advantage in the competition for leased access channels because none of their revenues are the result of subscriber fees. Because the displaced services will generally be unable to compete for the channels that are reserved for leased access, the market-clearing rate for these channels will be less than the amount that the displaced programmers would have been willing to pay in implicit fees. Current subscribers are likely to be worse off because their demonstrated preferences, which are reflected in the revenues that current programmers are willing to share with cable operators, will have been subverted.[24]

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[23] See P. Kagan Associates, Cable TV Programming, July 31, 1995, "Economics of Basic Cable Networks 1994-1996," p. 3.

[24] Note that the bias is not in favor of programs based on their content but on their method of support.

5. Service Migration and the Proposed Access Fee Formula

In its Order, the Commission describes the perceived need (in 1992) to strike a new balance between the interests of potential leased programmers and those of cable system operators. On the one hand, the Commission observed that it "should set maximum reasonable rates in order to 'make leased access a more desirable alternative for programmers.'"[25] On the other hand, the Commission noted that price and other conditions for use of leased access channel capacity should be "at least sufficient to assure that such use will not adversely affect the operation, financial condition, or market development of the cable system."[26]

A particular concern in the industry, and of the Commission, was that, if the access fee were set too low, existing services might choose to pay explicit access fees instead of the implicit fees they were paying through the terms negotiated with the cable operators. As a result:

> The highest implicit fee calculation was intended to avoid existing programming services migrating to leased access channels in a way that would not benefit subscribers or 'diverse' entities seeking leased access.[27]

If the leased access fee had been set "too low," migration by existing program services might have proven profitable in at least two different instances. First, premium services that were offered to subscribers for a separate fee might

[25] Order, para. 26.

[26] Id.

[27] Order, para. 15.

have chosen to have their status changed to that of leased access programmers.[28] Second, program services that depended solely on revenues from the sale of either products or advertising, or that relied on viewer contributions, might have elected leased access status, perhaps on the same tier on which they had previously been provided.[29] In each of these cases, the savings for the migrating service translate into revenue losses, without a commensurate cost reduction, for the cable system operator. The loss of significant contributions from the migrating services to covering the capital and operating costs of the cable system could cause significant financial harm to the operator.[30]

In most instances, the formula adopted in 1992 for calculating the maximum implicit access fee that cable operators can charge to leased access programmers understates the true maximum implicit access fee that a cable operator currently realizes.[31] Nonetheless, there have not been instances of

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[28] Such a change in status would be profitable if the implicit fees these services had been paying operators exceeded the explicit access fee, and if the services did not incur unduly large additional administrative costs as a result of dealing directly with subscribers rather than with the cable operator.

[29] At a sufficiently low access fee, these services could find it profitable to pay an explicit access fee and retain all revenues rather than pay an implicit access fee, perhaps in the form of a commission to the cable operator.

[30] Obviously, the magnitude of the harm would depend on the number and identity of the services that find it profitable to migrate.

[31] The Commission's maximum implicit fee formula is likely to undercount both the value to subscribers <u>and</u> the affiliate fee of the program service with the highest implicit access fee. We believe that these two errors are not offsetting, so that the formula tends to understate the maximum implicit fee. Nonetheless, in the <u>Order</u>, the Commission expresses the belief that the maximum implicit fee formula allows cable operators to double-bill and thus <u>overstates</u> the appropriate leased access fee. (See <u>Order</u>, para. 29.) However, this reasoning ignores the fact that leased access services render the cable operator's package less attractive to subscribers.

existing program services migrating to leased access status. One must therefore conclude that, despite an explicit access fee that is lower than the maximum implicit fee, the net benefits of migration do not render such a move profitable for any program service. In particular, the foregone benefits of being on a tier apparently exceed the potential savings from paying lower access fees by migrating off a tier.

Migration has not occurred for the simple reason that its total costs — the foregone profits associated with being on a tier *less* the access fee savings — are still too high. Nonetheless, if the effect of the Commission's proposal is to reduce the leased access rate by a large amount, substantial migration may occur. For example, premium services may migrate to leased access status. Such migration would be harmful to cable operators and other services that might otherwise have been packaged with the migrating service.

6. Conclusion

An access fee that is set too low will encourage the proliferation of programming that could not survive in a competitive market because it is not highly valued by consumers. In addition, the nature of the leased access requirement impedes the natural forces of competition among different types of programming and promotes the growth of services that do not depend on subscriber revenues. Program services that are available on cable today may be displaced, with no means of demonstrating their superior valuation in the market.

Incumbent programming that remains on the service tier will suffer from the diminished spillover from the less popular leased access programming. Advertisers will face smaller potential audiences both directly, because of displacement of more popular programming, and indirectly, because of smaller spillovers from leased access channels compared to the services they displace. Cable operators will suffer declining subscriber and local advertising revenues, and the programming preferences of consumers will be subverted.

ATTACHMENT B

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
Implementation of Sections of the Cable Television Consumer Protection and Competition Act of 1992: Rate Regulation	)	MM Docket No. 92-266
	)	CS Docket No. 96-60
Leased Commercial Access	)	

AFFIDAVIT OF MADISON BOND

I, Madison Bond, hereby depose and state:

1. I am a Vice President of Programming for Satellite Services, Inc. ("SSI"). SSI is an indirect subsidiary of Tele-Communications, Inc. ("TCI"), which acquires programming rights for, among others, cable systems affiliated with TCI. I am responsible for negotiating affiliation agreements with cable networks and other programming providers.

2. One of the most critical decisions a cable operator must make is to decide what programming to carry on a system, and what programming to carry in the basic or expanded basic packages within a system. The importance of these decisions become paramount as competitive providers enter the market.

3. All TCI systems now face competition from Direct Broadcast Satellite competitors. In addition, in the next several years, TCI will increasingly face competition in every major market from digital MMDS wireless services and Open Video Systems.

4. None of cable's competitors are subject to the commercial leased access requirements. Most competitors will initially offer more channels of programming than the existing cable system.

5. If a cable system is required to cede 10 to 15% of its channel capacity (9 channels in a 60 channel system) to leased access providers, the cable system will be severely damaged in its ability to compete effectively. Most cable systems must drop existing services to accommodate leased access, and will be precluded from launching new and diverse programming services. Even if only several hours per day are preempted on a cable network, the resulting customer confusion significantly reduces the value of the network as a whole to

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the consumer. Additionally, disruption of a full-time cable network by leased access programming is exacerbated if the leased access programming is inconsistent with the programming on the cable network, or if the subscriber is offended by the programming. Although many cable networks permit part-time carriage, many cable networks would rather not be carried than be carried subject to preemption.

6. The majority of entertainment-based, ad-supported cable networks depend over the long term on a dual revenue stream of license fees and advertising revenue. In most cases, the only services that pay for carriage on a cable system are home shopping services, infomercial services, gambling services, and other services with a transactional or promotional component to their programming. It may be anticipated that if leased access rates are substantially reduced, home shopping services, infomercial services, and gambling services will predominate in the leased access category.

7. While this type of programming may be valuable to customers, balancing the type and quantity of this programming is an essential financial and marketing decision of a cable system. Leased access removes this discretion entirely. Cable's competitors will retain this discretion.

8. The destructive impact of being forced to drop six to 10 existing, valuable services to accommodate leased access is extreme in any circumstance, and particularly dire in a competitive environment. Further, compelling that leased access programming be placed on a tier which the cable system has invested significant effort in creating and promoting not only provides a free ride to the leased access provider, but may actually be detrimental to the remaining services on the tier or the perceived value of the tier.

9. The impact of this form of compelled distribution is exacerbated as new products are introduced, such as digital compression and high speed data services. These services all require bandwidth on the cable system, which will be taken by leased access services. The impact on digital compression is particularly acute, as digital programming in TCI systems will be compressed nationally and delivered by satellite to cable headends. Under current technology, each analog cable channel may be converted into up to 24 digital channels. However, a local leased access channel may not be compressed because it requires local insertion. Thus, a local leased access channel must remain an analog channel under current technology and will come at the expense of up to 24 digitally compressed services.

I declare under penalty of perjury that the foregoing is true and complete to the best of my information, knowledge and belief.

Date: 5/13/96

Madison Bond

ATTACHMENT C

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
Implementation of Sections of the Cable Television Consumer Protection and Competition Act of 1992: Rate Regulation	)	MM Docket No. 92-266
	)	CS Docket No. 96-60
Leased Commercial Access	)	

AFFIDAVIT OF DEBRA F. FRIDAY

I, Debra F. Friday, hereby despose and state:

1. I am the General Manager of TCI Media Services, Inc., Denver operations. I have been employed in this or a similar capacity since July, 1990. As part of my responsibilities in this position, I am responsible for responding to all leased access inquiries for the Denver Metro System.

2. Most leased access requests that we receive are for infomercial programming. Generally, leased access applicants have something to sell and seek to use leased access for that purpose. For instance, we have an active lease with a local auto dealership which uses leased access for a half hour automotive infomercial. We have other leased access

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applications pending for automotive and real estate informercials. Leased access applicants find leased access rates more affordable than the marketplace rates for informercials.

I declare under penalty of perjury that the foregoing is true and complete to the best of my knowledge, information and belief.

5/8/96
Date

Debra F. Friday
General Manager
TCI Media Services, Inc.

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ATTACHMENT D

CABLE PROGRAM SERVICES
PART 1, UNAFFILIATED PROGRAM SERVICES ALREADY LAUNCHED

PROGRAMR	OWNERS
A&E Entertainment Network	Unaffiliated with cable operator (Second Annual Competition Report)
Access Television Network	Private
Adam & Eve	Graff Pay-Per-View Unaffiliated with cable operator (Second Annual Competition Report)
Adultvision	Playboy Enterprises
America's Collectibles Network	Private
America's Health Network	Private / Providence Journal Unaffiliated with cable operator (Second Annual Competition Report)
America's Talking (will become MSNBC 7/96)	NBC / Microsoft Unaffiliated with cable operator (Second Annual Competition Report)
American Independent Network	Unaffiliated with cable operator (Second Annual Competition Report)
Arabic Channel	The Arabic Channel
Asian American Satellite TV	Unaffiliated with cable operator (Second Annual Competition Report)
Automotive Television Network / ATN	Global Television Network Unaffiliated with cable operator (Second Annual Competition Report)
Barker, The	Starnet
Cable TV Network of New Jersey	
Cable Video Store	Unaffiliated with cable operator (Second Annual Competition Report)
Canal De Noticias	NBC Unaffiliated with cable operator (Second Annual Competition Report)
Canal Sur	Unaffiliated with cable operator (Second Annual Competition Report)
Celtic Vision	Private
Channel America Television Network	Unaffiliated with cable operator (Second Annual Competition Report)
ChicagoLand Television News (CLTV)	Tribune

PROGRAMR	OWNERS
	Unaffiliated with cable operator
Children's Cable Network	Olympic Entertainment Group Unaffiliated with cable operator (Second Annual Competition Report)
Cine Latino	MVS Multivision / Telerey Unaffiliated with cable operator (Second Annual Competition Report)
Classic Arts Showcase	Lloyd Rigler / Lawrence Deutsch Foundation Unaffiliated with cable operator (Second Annual Competition Report)
Classic Sports Network	Allen & Co. / AT & T Ventures / Classic Sports Network / other investors Unaffiliated with cable operator (Second Annual Competition Report)
CMT: Country Music Television	Unaffiliated with cable operator (Second Annual Competition Report) Group W Satellite Communications
CNBC	Unaffiliated with cable operator (Second Annual Competition Report)
Consumer Resource Network	Seventh Medium Unaffiliated with cable operator (Second Annual Competition Report)
Crime Channel, The	Unaffiliated with cable operator (Second Annual Competition Report)
Deep Dish	Unaffiliated with cable operator (Second Annual Competition Report)
Disney Channel	Unaffiliated with cable operator (Second Annual Competition Report)
Dragnet	Graff Pay-Per-View / National Media Unaffiliated with cable operator
Ecumenical Television Channel	
Employment Channel	Unaffiliated with cable operator (Second Annual Competition Report)
ESPN	Unaffiliated with cable operator (Second Annual Competition Report)

PROGRAMR	OWNERS
ESPN 2	Unaffiliated with cable operator (Second Annual Competition Report)
Ethnic-American Broadcasting Co.	Ethnic-American Broadcasting Co.
EWTN: Global Catholic Network	Unaffiliated with cable operator (Second Annual Competition Report)
Filipino Channel, The	ABS-CBN Broadcasting Unaffiliated with cable operator (Second Annual Competition Report)
Foxnet	Unaffiliated with cable operator (Second Annual Competition Report)
Free Speech TV (FStv)	Denver Area Educational Telecommunications Consortium Unaffiliated with cable operator.
fXM / Fox Movie Studio	News Corp. Unaffiliated with cable operator (Second Annual Competition Report)
Galavision	Unaffiliated with cable operator (Second Annual Competition Report)
Game Show Network	Sony Pictures Entertainment Unaffiliated with cable operator (Second Annual Competition Report)
Gay Entertainment Television	GET / Marvin A. Schwam Unaffiliated with cable operator
Global Shopping Network	Private
Guthy-Renker Television	Guthy-Renker
History Channel, The	Disney / Hearst / NBC Unaffiliated with cable operator (Second Annual Competition Report)
HTV	Hero Communications
Idea Channel, The	Barry Chitester
In TV	ACTV
Inspirational Network, The (INSP)	Unaffiliated with cable operator (Second Annual Competition Report)
International Television Broadcasting, Inc. (ITV)	

PROGRAMR	OWNERS
IntroNet	Lenfest Networks
Jewish Television Network	Unaffiliated with cable operator (Second Annual Competition Report)
Kaleidoscope: America's Disability Network (incorporating the Silent Network)	Unaffiliated with cable operator (Second Annual Competition Report)
Ladbroke Racing Channel / Meadows Racing Network	Ladbrook Racing Pennsylvania
Las Vegas Television Network	Source Venture Capital Unaffiliated with cable operator (Second Annual Competition Report)
Lifetime Television (Life)	Unaffiliated with cable operator (Second Annual Competition Report)
Lottery Channel, The	Private Unaffiliated with cable operator (Second Annual Competition Report)
Main Street	GTE
MediaOne News	
NASA Television	Unaffiliated with cable operator (Second Annual Competition Report)
National & International Singles Television Network	Unaffiliated with cable operator (Second Annual Competition Report)
National Access Television Network, Inc.	Unaffiliated with cable operator (Second Annual Competition Report) Younger TeleProductions
NET / Political NewsTalk Network (formerly National Empowerment Television)	Private Unaffiliated with cable operator (Second Annual Competition Report)
Network 1	Network Telephone Services Unaffiliated with cable operator (Second Annual Competition Report)
New England Sports Network (NESN)	Unaffiliated with cable operator
New York 1 News	
News Plus	The Free Range Group, Inc. Reed / Brennan Publications

PROGRAMR	OWNERS
News World International	North American Television, Inc. joint venture of Canadia Broadcasting Corp. and Power Broadcasting
NewsChannel 8	Unaffiliated with cable operator
NewsTalk Television (formerly The Talk Channel)	Gannett / Phil Donahue Unaffiliated with cable operator (Second Annual Competition Report)
Nippon Golden Network	Unaffiliated with cable operator
NorthWest Cable News	Providence Journal
Nostalgia Channel	Unaffiliated with cable operator (Second Annual Competition Report)
NTN Entertainment Network	
NuStar	Starnet
Orange County Newschannel	
ORB TV	Unaffiliated with cable operator (Second Annual Competition Report) Omni Research Business Group
Outdoor Channel, The	Global Resources Unaffilated with cable operator
Pennsylvania Cable Network (PCN)	
PenVision	
Play & Win Channel	NTN Communications
Playboy TV Network (formerly Playboy Channel)	Unaffiliated with cable operator (Second Annual Competition Report)
Popcorn Channel	New York Times Company, Torstar, Salter Street Films Unaffiliated with cable operator (Second Annual Competition Report)
Prevue	Unaffiliated with cable operator (Second Annual Competition Report)
Promoter, The	Starnet
Recovery Network, The (formerly RecoveryNet)	Private - executives from cable, entertainment and recovery industries

PROGRAMR	OWNERS
	Unaffiliated with cable operator (Second Annual Competition Report)
SCOLA	Unaffiliated with cable operator (Second Annual Competition Report)
Shop at Home	Shop at Home, Inc.
Sneak Prevue	Prevue Networks, Inc. Unaffiliated with cable operator.
Spice	Unaffiliated with cable operator (Second Annual Competition Report)
StoryVision Network	StoryVision Network, Inc.
Telemundo	Unaffiliated with cable operator (Second Annual Competition Report)
TeleNoticias	Antenna 3 TV Internacional / Artear / Reuters Television / Telemundo Group
TNN: The Nashville Network	Unaffiliated with cable operator (Second Annual Competition Report)
Total Communication Network	Total Communication Network Unaffiliated with cable operator
Travel Channel, The	Unaffiliated with cable operator (Second Annual Competition Report)
Trinity Broadcasting Network	Unaffiliated with cable operator (Second Annual Competition Report)
TV Asia	Asian Broadcasting Network Unaffiliated with cable operator (Second Annual Competition Report)
TV-Japan	Unaffiliated with cable operator (Second Annual Competition Report)
U Network	Unaffiliated with cable operator (Second Annual Competition Report)
Univision	Perenchio TV Inc.
UVTV / KTLA	UVTV
UVTV / WGN	UVTV

PROGRAMR	OWNERS
UVTV / WPIX	UVTV
ValueVision (The Brand Name Channel)	Unaffiliated with cable operator (Second Annual Competition Report)
Via TV Network	Unaffiliated with cable operator (Second Annual Competition Report)
Video Catalog Channel	Video Catalog Channel Unaffiliated with cable operator (Second Annual Competition Report)
Weather Channel, The	Unaffiliated with cable operator (Second Annual Competition Report)
Worship Network	Unaffiliated with cable operator (Second Annual Competition Report)
WSBK	WSBK WWOR / EMI Service via EMI Communications
WWOR / EMI Service	WSBK WWOR / EMI Service via EMI Communications
Z Music	Z Music / Gaylord Entertainment Unaffiliated with cable operator (Second Annual Competition Report)

CABLE PROGRAM SERVICES
PART 2, UNAFFILIATED PROGRAM SERVICES TO BE LAUNCHED

PROGRAMR	OWNERS
Air & Space Network, The	ASN Ventures Corp.
America's Talking (will become MSNBC 7/96)	NBC / Microsoft Unaffiliated with cable operator (Second Annual Competition Report)
American Political Channel	Private
American West Network, The	Private Unaffiliated with cable operator (Second Annual Competition Report)
ANA Television	ANA Radio and Television Network
AnimalVision: The Animal Channel	Private
Anti-Aging Network, The	Henley-Frerer Enterprises
Arena (formerly Classic Music Channel)	Classical Broadcasting Co. Unaffiliated with cable operator (Second Annual Competition Report)
Art & Craft Network, The	Sugarloaf Mountain Works Unaffiliated with cable operator (Second Annual Competition Report)
Arts & Antiques Network (AAN)	Private Unaffiliated with cable operator (Second Annual Competition Report)
Auto Channel, The	California Image Associates / Gordon Communications Unaffiliated with cable operator (Second Annual Competition Report)
Axon (formerly XTV)	Independent Programming Network
BBC World Channel	British Broadcasting Corporation
Benefit Network, The	Benefit Network (non-profit corporation) Unaffiliated with cable operator (Second Annual Competition Report)
Black Shopping Network	Private
Boating Channel, The (TBC)	Private - World Boating Cable Service
Booknet	Private investments - BookNet Inc. Unaffiliated with cable operator (Second Annual Competition Report)
c/net: The Computer Network	Private
Cable Consortium, The	Private

PROGRAMR	OWNERS
Career & Education Opportunity Network	Comspan / R. Anthony Cort Unaffiliated with cable operator (Second Annual Competition Report)
Catalogue TV	Fashion Television Associates Unaffiliated with cable operator (Second Annual Competition Report)
CEO Channel, The	American Marketing Techmologies / CEO Channel / Varn International / Private Unaffiliated with cable operator. (Second Annual Competition Report)
Channel 500	Appalshop / The Fund for Innovative Television Unaffiliated with cable operator (Second Annual Competition Report)
Children's Fashion Network	J. Pearsall and Evans Partners
Chop TV	Chop TV Enterprises Unaffiliated with cable operator (Second Annual Competition Report)
Collectors Channel	Private - EveryDay Productions Unaffiliated with cable operator (Second Annual Competition Report)
Computer Shopping Network	Charles Moore
Computer Television Network (CTVN)	Private
Conservative Television Network	Fabrizio, McLaughlin & Associates / private investors. Unaffiliated with cable operator (Second Annual Competition Report)
Creative Channel	Private
Dream Network, The	Private
Ecology Channel, The	J-Net Broadcasters, Inc. / the Ecology Channel Inc. Unaffiliated with cable operator (Second Annual Competition Report)
Enrichment Channel, The	Worldlink Communications Group Unaffiliated with cable operator (Second Annual Competition Report)
Epic Channel, The (formerly Entertainment Prosperity Insight Channel)	David Hill / Valentine Radford Communications / Private Unaffiliated with cable operator (Second Annual Competition Report)